

AMENDED IN ASSEMBLY APRIL 8, 2010
AMENDED IN ASSEMBLY AUGUST 31, 2009
AMENDED IN ASSEMBLY AUGUST 17, 2009
AMENDED IN ASSEMBLY JULY 9, 2009
AMENDED IN SENATE MAY 20, 2009

SENATE BILL

No. 550

**Introduced by Senator Florez
(Coauthor: Senator Romero)**

February 27, 2009

~~An act to add Part 7.1 (commencing with Section 114450) to Division 104 of the Health and Safety Code, relating to food safety. An act to add Sections 3208.5 and 3986 to the Public Resources Code, relating to natural resources.~~

LEGISLATIVE COUNSEL'S DIGEST

SB 550, as amended, Florez. ~~Public health: food product recall technology.~~ *Natural resources: oil and gas: mining: drilling.*

Existing law regulates oil and gas activities and mining activities. Existing law requires an operator of an oil and gas well to file with the State Oil and Gas Supervisor certain indemnity bonds.

This bill would require an operator of an oil and gas operation or mining operation to have insurance or obtain an indemnity bond in an amount and kind reasonably expected to secure the costs of cleanup for any adverse environmental impact that could be expected from the operator's drilling activity. The bill would require the insurance or indemnity bond amount to be at least \$10,000,000, and in the case where the drilling is within 1,000 feet of groundwater, at least

\$25,000,000. The bill would also require an operator of an oil and gas operation or mining operation to disclose to the owner of surface rights any agreement between the operator and a drilling company. The bill would make an operator drilling on farmland responsible for compensating the landowners for surface damage to crops and other improvements caused during the drilling.

~~Existing law requires a meat or poultry supplier, distributor, broker, or processor that sells a meat- or poultry-related product in California that meets the criteria for a Class I or Class II recall according to the United States Department of Agriculture guidelines to immediately notify the State Department of Public Health and to provide the department with a list of all customers, including a firm name, address, contact person's name, telephone number, fax, and e-mail address, that have received or will receive any product subject to recall that the supplier, distributor, broker, or processor has handled or anticipates handling.~~

~~This bill would require a grocery store or general retail merchandise store with a grocery department, as defined, to ensure that when it is notified that a product for sale by the grocery store or grocery department is subject to a recall that applies to all products with the same Universal Product Code and a recalled product is scanned, the store's point-of-sale system, as defined, will prevent the sale and notify the employee that the product being purchased is subject to a recall, and that the employee will notify the consumer of this.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes. State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 3208.5 is added to the Public Resources
- 2 Code, to read:
- 3 3208.5. (a) An operator shall file with the supervisor evidence
- 4 of insurance or an indemnity bond in an amount and kind
- 5 reasonably expected to secure the total costs of cleanup of any
- 6 adverse environmental impact that could be expected to result
- 7 from drilling, including the potential for drilling accidents,
- 8 negligent drilling activity, or both. The indemnity bond or
- 9 insurance policy shall be in an amount of not less than ten million
- 10 dollars (\$10,000,000). In the case of subsurface drilling within
- 11 1,000 feet of groundwater, the indemnity bond or insurance policy

1 *shall be in an amount of not less than twenty-five million dollars*
2 *(\$25,000,000), and shall specifically cover damage to groundwater.*

3 *(b) An operator shall provide to the owner of surface rights*
4 *written disclosure of any agreement between the operator and a*
5 *drilling company within 10 days of the execution of the agreement.*

6 *(c) In the case of drilling on farmland, an operator shall be*
7 *responsible for compensating the landowners for surface damage*
8 *to crops and all other improvements caused during the drilling.*

9 *SEC. 2. Section 3986 is added to the Public Resources Code,*
10 *to read:*

11 *3986. (a) An operator shall file with the supervisor evidence*
12 *of insurance or an indemnity bond in an amount and kind*
13 *reasonably expected to secure the total costs of cleanup of any*
14 *adverse environmental impact that could be expected to result*
15 *from drilling, including the potential for drilling accidents,*
16 *negligent drilling activity, or both. The indemnity bond or*
17 *insurance policy shall be in an amount of not less than ten million*
18 *dollars (\$10,000,000). In the case of subsurface drilling within*
19 *1,000 feet of groundwater, the indemnity bond or insurance policy*
20 *shall be in an amount of not less than twenty-five million dollars*
21 *(\$25,000,000), and shall specifically cover damage to groundwater.*

22 *(b) An operator shall provide to the owner of surface rights*
23 *written disclosure of any agreement between the operator and a*
24 *drilling company within 10 days of the execution of the agreement.*

25 *(c) In the case of drilling on farmland, an operator shall be*
26 *responsible for compensating the landowners for surface damage*
27 *to crops and all other improvements caused during the drilling.*

28 *SECTION 1. Part 7.1 (commencing with Section 114450) is*
29 *added to Division 104 of the Health and Safety Code, to read:*

30
31 ~~PART 7.1. GROCERY STORE RECALL TECHNOLOGY~~

32
33 ~~114450. (a) A grocery store or general retail merchandise store~~
34 ~~with a grocery department that uses a point-of-sale system and is~~
35 ~~informed by the federal Food and Drug Administration or by the~~
36 ~~manufacturer that a product that the grocery store or grocery~~
37 ~~department offers for sale is subject to a recall that applies to all~~
38 ~~products with the same Universal Product Code that contains a~~
39 ~~product lot number, date of manufacture, and location of~~

1 manufacture shall ensure that, when the product is scanned through
2 the point-of-sale system, both of the following occur:

3 (1) ~~The point-of-sale system prevents the sale of the product~~
4 ~~and notifies the employee that the product is subject to a recall.~~

5 (2) ~~The employee verbally notifies the consumer that the sale~~
6 ~~was prevented because of the product recall.~~

7 (b) ~~This section shall not apply to a retail store that generates~~
8 ~~more than 25 percent of its gross revenues from the sales of~~
9 ~~prescription and over the counter drugs and medical devices.~~

10 (c) ~~For purposes of this section:~~

11 (1) ~~“Grocery department” means a food facility, as defined in~~
12 ~~Section 113789, within a general retail merchandise store that is~~
13 ~~engaged primarily in the retail sale of packaged food, instead of~~
14 ~~food prepared for immediate consumption on or off the premises.~~

15 (2) ~~“Grocery store” means a food facility, as defined in Section~~
16 ~~113789, that is engaged primarily in the retail sale of packaged~~
17 ~~food, instead of food prepared for immediate consumption on or~~
18 ~~off the premises.~~

19 (3) ~~“Point-of-sale system” means any computer or electronic~~
20 ~~system used by a retail establishment such as, but not limited to,~~
21 ~~Universal Product Code scanners, price lookup codes, or an~~
22 ~~electronic price lookup system as a means for determining the~~
23 ~~price of the item being purchased by a consumer.~~